

105TH CONGRESS  
2D SESSION

# S. 2408

To promote the adoption of children with special needs.

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## IN THE SENATE OF THE UNITED STATES

JULY 31, 1998

Mr. CHAFEE (for himself, Mr. ROCKEFELLER, Mr. DEWINE, Mr. LEVIN, Mr. BOND, Mr. MOYNIHAN, Mr. KERREY, Ms. LANDRIEU, and Mr. DORGAN) introduced the following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To promote the adoption of children with special needs.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

### 3   **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Adoption Equality Act  
5   of 1998”.

### 6   **SEC. 2. PROMOTION OF ADOPTION OF CHILDREN WITH** 7       **SPECIAL NEEDS.**

8       (a) IN GENERAL.—Section 473(a) of the Social Secu-  
9   rity Act (42 U.S.C. 673(a)) is amended by striking para-  
10   graph (2) and inserting the following:

1       “(2)(A) For purposes of paragraph (1)(B)(ii), a child  
2 meets the requirements of this paragraph if such child—

3               “(i) prior to termination of parental rights and  
4 the initiation of adoption proceedings was in the  
5 care of a public or licensed private child care agency  
6 or Indian tribal organization either pursuant to a  
7 voluntary placement agreement (provided the child  
8 was in care for not more than 180 days) or as a re-  
9 sult of a judicial determination to the effect that  
10 continuation in the home would be contrary to the  
11 safety and welfare of such child, or was residing in  
12 a foster family home or child care institution with  
13 the child’s minor parent (either pursuant to such a  
14 voluntary placement agreement or as a result of  
15 such a judicial determination); and

16               “(ii) has been determined by the State pursuant  
17 to subsection (c) to be a child with special needs,  
18 which needs shall be considered by the State, to-  
19 gether with the circumstances of the adopting par-  
20 ents, in determining the amount of any payments to  
21 be made to the adopting parents.

22       “(B) Notwithstanding any other provision of law, and  
23 except as provided in paragraph (7), a child who is not  
24 a citizen or resident of the United States and who meets  
25 the requirements of subparagraph (A) shall be treated as

1 meeting the requirements of this paragraph for purposes  
2 of paragraph (1)(B)(ii).

3 “(C) A child who meets the requirements of subpara-  
4 graph (A), who was determined eligible for adoption as-  
5 sistance payments under this part with respect to a prior  
6 adoption (or who would have been determined eligible for  
7 such payments had the Adoption and Safe Families Act  
8 of 1997 been in effect at the time that such determination  
9 would have been made), and who is available for adoption  
10 because the prior adoption has been dissolved and the pa-  
11 rental rights of the adoptive parents have been terminated  
12 or because the child’s adoptive parents have died, shall be  
13 treated as meeting the requirements of this paragraph for  
14 purposes of paragraph (1)(B)(ii).”.

15 (b) EXCEPTION.—Section 473(a) of the Social Secu-  
16 rity Act (42 U.S.C. 673(a)) is amended by adding at the  
17 end the following:

18 “(7)(A) Notwithstanding any other provision of this  
19 subsection, no payment may be made to parents with re-  
20 spect to any child that—

21 “(i) would be considered a child with special  
22 needs under subsection (c);

23 “(ii) is not a citizen or resident of the United  
24 States; and

1           “(iii) was adopted outside of the United States  
2           or was brought into the United States for the pur-  
3           pose of being adopted.

4           “(B) Subparagraph (A) shall not be construed as pro-  
5           hibiting payments under this part for a child described  
6           in subparagraph (A) that is placed in foster care subse-  
7           quent to the failure, as determined by the State, of the  
8           initial adoption of such child by the parents described in  
9           such subparagraph.”.

10          (c) REQUIREMENT FOR USE OF STATE SAVINGS.—  
11          Section 473(a) of the Social Security Act (42 U.S.C.  
12          673(a)), as amended by subsection (b), is amended by  
13          adding at the end the following:

14          “(8) A State shall spend an amount equal to the  
15          amount of savings (if any) in State expenditures under  
16          this part resulting from the application of paragraph (2)  
17          on and after the effective date of the amendment to such  
18          paragraph made by section 2(a) of the Adoption Equality  
19          Act of 1998 to provide to children or families any service  
20          (including post-adoption services) that may be provided  
21          under this part or part B.”.

22          (d) EFFECTIVE DATE.—The amendments made by  
23          this section shall take effect on October 1, 1998.

1 **SEC. 3. REDUCTIONS IN PAYMENTS FOR ADMINISTRATIVE**  
 2 **COSTS.**

3 (a) IN GENERAL.—Section 1903 of the Social Secu-  
 4 rity Act (42 U.S.C. 1396b) is amended—

5 (1) in subsection (a)(7), by striking “section  
 6 1919(g)(3)(B)” and inserting “subsection (x) and  
 7 section 1919(g)(3)(C)”; and

8 (2) by adding at the end the following:

9 “(x) ADJUSTMENTS TO PAYMENTS FOR ADMINISTRA-  
 10 TIVE COSTS.—

11 “(1) REDUCTIONS IN PAYMENTS FOR ADMINIS-  
 12 TRATIVE COSTS BASED ON DETERMINATIONS OF  
 13 AMOUNTS ATTRIBUTABLE TO BENEFITING PRO-  
 14 GRAMS.—

15 “(A) IN GENERAL.—Subject to paragraph  
 16 (2), effective for each of fiscal years 1999  
 17 through 2002, the Secretary shall reduce, for  
 18 each such fiscal year, the amount paid under  
 19 subsection (a)(7) to each State by an amount  
 20 equal to the amount determined for the medic-  
 21 aid program under section 16(k)(2)(B) of the  
 22 Food Stamp Act of 1977 (7 U.S.C.  
 23 2025(k)(2)(B)). The Secretary shall, to the ex-  
 24 tent practicable, make the reductions required  
 25 by this paragraph on a quarterly basis.

1 “(B) APPLICATION.—If the Secretary does  
2 not make the determinations required by sec-  
3 tion 16(k)(2)(B) of the Food Stamp Act of  
4 1977 (7 U.S.C. 2025(k)(2)(B)) by September  
5 30, 1999—

6 “(i) during the fiscal year in which  
7 the determinations are made, the Secretary  
8 shall reduce the amount paid under sub-  
9 section (a)(7) to each State by an amount  
10 equal to the sum of the amounts deter-  
11 mined for the medicaid program under sec-  
12 tion 16(k)(2)(B) of the Food Stamp Act of  
13 1977 for fiscal year 1999 through the fis-  
14 cal year during which the determinations  
15 are made; and

16 “(ii) for each subsequent fiscal year  
17 through fiscal year 2002, subparagraph  
18 (A) applies.

19 “(C) APPLICATION OF APPEAL OF DETER-  
20 MINATIONS.—The provisions of section 16(k)(4)  
21 of the Food Stamp Act of 1977 (7 U.S.C.  
22 20205(k)(4)) apply to reductions in payments  
23 under this subsection in the same manner as  
24 they apply to reductions under section 16(k) of  
25 that Act.

1           “(2) BONUS PAYMENT FOR PROGRAM ALIGN-  
2           MENT.—

3           “(A) IN GENERAL.—

4           “(i) AMOUNT.—In addition to any  
5           other payment made under this title to a  
6           State for a fiscal year, the Secretary shall  
7           pay to each State that satisfies the re-  
8           quirements of clause (ii) a portion of the  
9           amount by which—

10           “(I) any decrease in Federal out-  
11           lays for amounts paid under sub-  
12           section (a)(7) with respect to the  
13           State for the fiscal year as a result of  
14           the application of paragraph (1), as  
15           determined by the Congressional  
16           Budget Office, exceeds

17           “(II) any increase in Federal out-  
18           lays with respect to the State for the  
19           fiscal year as a result of the applica-  
20           tion of section 473(a), as amended by  
21           section 2 of the Adoption Equality  
22           Act of 1998, as determined by the  
23           Congressional Budget Office.

1           “(ii) REQUIREMENTS.—A State satis-  
2           fies the requirements of this clause if the  
3           Secretary determines that—

4                   “(I) the State’s income and re-  
5                   source eligibility rules under section  
6                   1931, taking into account the income  
7                   standards and methodologies applied  
8                   by the State, are not more restrictive  
9                   than the income and resource eligi-  
10                  bility rules applied by the State for  
11                  the temporary assistance to needy  
12                  families program funded under part A  
13                  of title IV (other than for a welfare-  
14                  to-work program funded under section  
15                  403(a)(5)); and

16                  “(II) the State assures the Sec-  
17                  retary that families applying for as-  
18                  sistance under the temporary assist-  
19                  ance to needy families program fund-  
20                  ed under part A of title IV (other  
21                  than families applying solely for as-  
22                  sistance under a welfare-to-work pro-  
23                  gram funded under section 403(a)(5))  
24                  may apply for medical assistance  
25                  under the State plan under this title



1 without having to submit a separate  
 2 application for such medical assist-  
 3 ance.

4 “(B) CONSTRUCTION.—Nothing in sub-  
 5 paragraph (A) shall be construed as—

6 “(i) affecting the application of sec-  
 7 tion 1931;

8 “(ii) affecting any application require-  
 9 ments established under this title or by  
 10 regulation promulgated under the author-  
 11 ity of this title, including the requirements  
 12 established under section 1902(a)(8); or

13 “(iii) conditioning the right of an indi-  
 14 vidual to apply for medical assistance  
 15 under the State plan under this title upon  
 16 an application for assistance under any  
 17 State program funded under part A of title  
 18 IV.

19 “(3) ALLOCATION OF ADMINISTRATIVE  
 20 COSTS.—

21 “(A) IN GENERAL.—No funds or expendi-  
 22 tures described in subparagraph (B) may be  
 23 used to pay for costs—

24 “(i) eligible for reimbursement under  
 25 subsection (a)(7) (or costs that would have

1           been eligible for reimbursement but for  
2           this subsection); and

3           “(ii) allocated for reimbursement to  
4           the medicaid program under a plan sub-  
5           mitted by a State to the Secretary to allo-  
6           cate administrative costs for public assist-  
7           ance programs.

8           “(B) FUNDS AND EXPENDITURES.—Sub-  
9           paragraph (A) applies to—

10           “(i) funds made available to carry out  
11           part A of title IV or title XX;

12           “(ii) expenditures made as qualified  
13           State expenditures (as defined in section  
14           409(a)(7)(B));

15           “(iii) any other Federal funds (except  
16           funds provided under subsection (a)(7));  
17           and

18           “(iv) any other State funds that are—

19           “(I) expended as a condition of  
20           receiving Federal funds; or

21           “(II) used to match Federal  
22           funds under a Federal program other  
23           than the medicaid program.”.

24           (b) COPIES OF REPORT ON REVIEW OF METHODOL-  
25           OGY USED TO MAKE CERTAIN DETERMINATIONS.—Sec-

1 tion 502(b)(2) of the Agricultural Research, Extension,  
2 and Education Reform Act of 1998 (Public Law 105–185;  
3 112 Stat. 523) is amended by inserting “, the Committee  
4 on Commerce of the House of Representatives, the Com-  
5 mittee on Finance of the Senate,” after “Representa-  
6 tives”.

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